How to Win Friends and Influence People:
A Beginners Guide to Fundraising for ENSC 370

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***"Money? Money's easy. It's sex and power that elude me…"* - Woody Allen**

1. Introduction

You've probably been dreaming of a project over the past several weeks, but haven't thought of how to finance your <mobile remote-sensing digitally analogue ultrasonic doohickey>. Well it's early in the semester, hence a good time to start thinking about finances. Projects cost money. This may come as a surprise, but it's true. Money doesn't grow on trees, well actually it does, but they're really difficult to climb. Companies usually hire experienced "money tree climbers" who in the business world are referred to as "CEO's" (Come Extremely Overpaid). These executives are trained at shaking the right branches, and ensuring enough money falls so as to pay for their German imported cars.

Unless your father is a CEO, your 370 group probably doesn't have access to a "money tree climber" for hire. But that's ok! You are engineers, and improvisation should be second nature to you by now.

This document was written to help guide you through the pitfalls of climbing your own money tree, and subsequently financing your engineering project. However by no means do we claim the marketing techniques in this document to be the only means of generating funding. In short, this method is what worked for us. We were very successful, and once the dust settled, we had enough money to finance the entire project and several alcoholic dinners :-)

2.0 Background Preparation

Before you start knocking on doors, there are a few preparatory steps that you'll need to follow to ensure your efforts aren't wasted.

2.1 Define a Concise and Explicit 4-Month Goal

Without a goal, your project lacks vision. A lack of vision is often accompanied by a lack of funding. Sponsors/Investors are looking for a clear project goal to ensure that you're not going to spend their money on beer (well . . . solely on beer). So ensure your project's goal is not too esoteric or completely doped in technical jargon. The latter effectively detracts laymen sponsors from investing. For example:

"Our 4 month goal is to integrate an entire cellular telephone into one microchip"- **Good**

"Our 4 month goal is to implement in .18μm Complimentary Metal Oxide Semiconductor Integrated circuit technology, the photolithography, sputtering, and doping processes that will lead us to the mask layout of the micro-electronics components necessary to micro-machine a cellular digital packet transfer radio module."- ***Bad!!***

Your goal should be to capture your sponsor's imagination. Not to intimidate, or even worse bore potential investors to sleep with superfluous tech-talk.

2.2 Don't Limit Your Vision to 4 Months

You may or may not be planning to work on this project for more than 4 months. But keep in mind that a long term, continuous project is more likely to attract corporate investment over a short-term class project. Even if you plan on jumping ship after 4 months, be sure to mention the potential spin-off projects that other students could do as a direct result of your 4-month work. Executives want to see that you're planning on making something with yourself/with the project. A long-term vision aids in this process. For example:

"The groundbreaking work completed in the first 4 months of the cell-phone to microchip project will serve to act as a foundation for future cellular simplification projects" – **Good**

"The groundbreaking work completed in the first 4 months will be shelved in my attic. It's just a course that we are forced to take and it's gonna suck . . . so please donate"- **Bad!**

Investors want to know that their investment could be leaving a legacy. Most investors view their donations as a cheap form of advertising, especially on project homepages, written documentation, or contest entries. Therefore, the longer the project lasts, the better their return on investment.

2.3 Generate Conceptual Diagrams and Pictures of Your End Product/Creation

How do you sell someone on a product that doesn't even exist yet? Let alone if you're not sure that the concept can work? Well it's not easy. But pretty pictures and graphs definitely help. Try to use "real" pictures, as much as possible. Block diagrams tend to be on the boring side, and it's difficult to inspire with simple words in blocks. You could even try producing a mock up empty box of the project, or even produce the user interface early. This will actually help your project when it comes closer to crunch time. For example:

"The final product will look similar to the picture shown here. The interface gives the user the same functionality of the original cellular phone, but notice how the casing size is reduced with the incorporation of the cell-phone microchip." – **Good**

"The final product will look really good . . . but we're not really sure what it will look like. It really depends on how much time we find on the last day before the due date." **- Bad**

Although the latter might be true, it's really difficult to convince someone to give you money purely on your request for him or her to "trust you". Any effort you can put into aiding a sponsor to **visualize** your product and its functionality will pay dividends.

3.0 Potential Sources

So you have a proposal, some composite drawings, a slick covering letter, and a sales pitch that could sell swampland. What comes next? Well . . . next you need some victims . . . err . . . sources. We came up with 3 general sources of funding, and depending on the nature of your project, you can try approaching all (or none) of these sources.

3.1 Private Sector Sources:

- **Personal Sources**

There's a school of thought that views soliciting friends and business acquaintances as poor practice. It's easy to forget about that line of thought when you consider the personal financial loss that you could incur if you went about financing an entire 370 project alone. For this reason, don't be shy: ask anyone/everyone that you know if they're interested in sponsoring you (within reason).

By now you or someone in your team has been on co-op for several terms: approach your manager or supervisor! Approach co-workers, parent's friends, next door neighbor's etc. Anyone that you may have some personal contact with is fair game. You'd be surprised how many times a "friends' friends' parent's home business" has been willing to invest money into a project.

- **Industry Competitors**

If your project is successful, you may choose to push it to market. At times, it makes more financial sense to partner up with a future 'competitor' and perhaps even sell the project to them at the end of the term. The advantages of this approach are that the majority of the development costs will probably be covered by the competitor. The disadvantages of this approach are that you lose the opportunity to make a spin off company out of the project. This, however, is not always a disadvantage: sometimes it's safer to create a product, develop it, and get paid at the end, as opposed to having to start a company and competing with an established, multi-national corporation.

3.2 Government Sources

- **MP's** http://www.parl.gc.ca/36/senmemb/house/MemberList.asp

Federal MP's are often out to prove that they support education, if you're willing to provide them with a nice photo-op, and a local newspaper coverage, they're willing to provide you with some form funding. Be forewarned: it's not likely that their contribution will exceed $50. As well, although it's tempting for every member in your group to contact his/her MP, we don't recommend it. This is viewed as being in bad form, especially if the MP's are from opposing political parties.

- **MLA's** http://www.legis.gov.bc.ca/mla/alphanme.htm

As with federal MP's, provincial MLA's are often keen on supporting you. However you should in general expect less funding from a provincial politician, then a federal one.

- **BC Science Council** http://www.scbc.org/programs/techbc/index.html

SCBC provides various grants, scholarships, and programs that relate to transferring technology to solve some kind of societal problem. The URL listed above provides a comprehensive listing of such programs.

3.3 University Contacts

- **ESSEF** http://www.ensc.sfu.ca/undergrad/euss/essef/efindex.html

The Engineering Student Society Endowment Fund is an excellent starting point for project funding. Their requirements are pretty easy to meet if you're enrolled in a project class and have engineering students in your group, and the amount of paper work required is minimal.

- **ARG** http://www.ensc.sfu.ca/research/mirosot/ARG/

ARG or the Arial Robotics Group a.k.a. Pavel Haintz is always looking for eager participants. To receive money from ARG, your project should be directly related in some form to the ARG group's current project. Past projects have included the autonomous airship, and the firebug remote controlled All Terrain Vehicle.

- **MIROSOT** http://www.ensc.sfu.ca/undergrad/euss/sg/mirosot/

As with ARG, funding from MIROSOT is only given to MIROSOT projects. MIROSOT usually allows several 370 groups to get involved in the design and creation of the soccer robots. And as with ARG, your project doesn't necessarily have to be large scale. You can often design a small part that will interface with existing projects.

- **UILO** http://www.sfu.ca/uilo/resources/index.html

The University Industry Liaison Office provides "after project" support. If you're planning on developing your 370 project and possibly pushing it to market, the UILO is the place to visit for questions about patents or market forecasts etc. The above link gives the UILO's extensive listing of technology transfer organizations.

- **CSS** http://fas.sfu.ca/css/groupslist.html

If your project is relevant to a professor's personal research interests, you might be able to obtain funding from the professor's grant. Be sure to cross-reference your project's applications with the research interests of faculty members. The Center for System Science provides a comprehensive listing of research groups and labs at the above URL.

- **IEEE** http://www.ensc.sfu.ca/undergrad/euss/sg/ieee/

The student IEEE branch is often cash strapped, but they can provide good contacts to IEEE grants and competitions. Most often opportunities are limited to IEEE members.

4.0 The Approach

You've done your preparation, you've found a source, now it's time for you to go in for the kill . . . err…make the final approach. You have several options in doing this. E-mail, and cold calling are a good way to start, but sometimes, nothing can beat a face-to-face meeting. If you're planning on approaching a corporate source, the trick is to get yourself an appointment with someone higher in the corporate ladder. The reasoning behind this is simple: an employee, who can't help you, won't go out of their way to help you. Start at the top, and you'll be delegated accordingly down the ladder. As well, a reference from a higher source carries more weight then a reference from a lower source.

Detective work and persistence pay off. Once you have the name of an executive, try to find a fax number or personal e-mail address. If the latter are impossible, then try mailing a proposal to the company and request an appointment. But be forewarned most communication to an executive is transferred through some kind of executive assistant. EA's are trained at weeding blatant communication from solicitors (that includes you!)

The number one thing to remember is to not get discouraged or flustered. You're not really asking corporate sponsors for that big of a favor. The amount of money that you're probably asking for is "funny money" as far as they're concerned. As long as you keep your delivery short, and highlight to them what you're offering in return (i.e., free advertising, future profit shares etc.). You should be moderately successful. However, be sure to be courteous and positive. Whether you like it or not, your actions could affect how the sponsor views the School of Engineering Science, or SFU as a whole.

4.1 How to Handle Success

If your hard work pays off, you should find some sponsors/investors in little time. As with any shareholder, your sponsors deserve and expect some form of feedback on their investment. That's why it's good to provide your investors with a monthly written report. Usually, you can adapt the ENSC 305 progress reports for this purpose. Most importantly, be sure to highlight in your report how their support has helped you, in the past month of work.

Once the project is complete and operational, you should demo the project for your sponsors. Most sponsors really appreciate this, and are more open to further sponsorship. If you consider it from their viewpoint, they took a gamble on you, and your product worked as you had explained. In short: you proved your ability to them, and their hunch about your abilities turned out to be true.

5.0 Conclusion

Projects cost money. Sponsorship can help reduce that cost. Campaigning for investors takes some effort, and at times can be very discouraging. With all the technical aspects of the approach aside, just be sure to have fun. Even if your campaigning is a failure, it's still a learning experience with little risks involved for you. If you're not successful: life goes on, you have other courses and other priorities. It's not as if you're doing this for real, and the livelihood of 100 employees rests on your abilities to attract investors.

With a little luck, some creativity, and tenacity, your campaigning can be a success, and soon you will have to worry about 100 employees :-)

Best of luck!